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UNITED STATES BANKRUPTCY COURT

DISTRICT OF OREGON

In re:

Earth Class Mail Corporation,

Debtor.

Case No. 15-30982-tmb11

APPLICATION FOR EMPLOYMENT OF
ACCOUNTANT FOR DEBTOR IN
POSSESSION

Pursuant to 11 USC §327 of the U.S. Bankruptcy Code (“the Code”), Earth Class Mail Corporation, as debtor in possession (hereafter “Applicant”), hereby applies to the Court for an order approving the employment of James A. Elliott, CPA as its accountant. In support of this application, Applicant represents as follows:

- 1) Applicant filed its petition for relief under Chapter 11 of the Code on February 27, 2015. Applicant is presently serving as debtor-in-possession.
- 2) Applicant needs to prepare and file its 2014 tax returns.
- 3) Applicant wishes to employ James A. Elliott, CPA, 5319 SW Westgate Dr., Suite 109, Portland, OR 97221 as its accountant.

4) Applicant desires that James A. Elliott, CPA assist it for all purposes in the preparation of all tax returns it is required to file for tax year 2014, including federal returns, and state, county and city returns for Oregon, California and New York MTA and New York City.

5) The engagement agreement between Debtor-in-Possession and James A. Elliott, CPA is attached hereto and marked as **Exhibit A**.

6) The proposed rate of compensation, subject to final Court approval, is the customary rate in effect when the services are performed, which is \$1,450.00 for all of the returns described above.

7) To the best of Applicant's knowledge, James A. Elliott does not have any connection with Applicant's creditors, any other party in interest, or their respective attorneys except as stated in the Rule 2014 Verified Statement of Proposed Professional, which is attached hereto and marked as **Exhibit B**.

8) Attached as Exhibit C is a proposed form of order approving this Application.

Dated: April 3, 2015

/s/ Nicholas J. Henderson
Nicholas J. Henderson, OSB #074027
Of Attorneys for Debtor

Exhibit A

Engagement Letter from James A. Elliott, CPA

January 2015

James A. Elliott, CPA
5319 SW Westgate Dr., Ste. 109
Portland, OR 97221

(503) 292-2100
jim@jaecpa.com

EARTH CLASS MAIL CORPORATION
9450 SW GEMINI DRIVE, #101
BEAVERTON, OR 97008

This letter is to confirm our understanding of the terms and objectives of my engagement and the nature and limitations of the services I will provide.

I will prepare the 2014 United States federal and required state income tax returns for EARTH CLASS MAIL CORPORATION from information which you will furnish to me. I will make no audit or other verification of the data you submit, although I may need to ask you for clarification of some of the information.

You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign and file them.

I will use my judgment in resolving questions where the tax law is unclear or where there may be conflicts between the taxing authorities' interpretations of the law and what seem to be other supportable positions. Current law requires me to only take a position on your return that is supported by a substantial authority.

Your returns are subject to review by the taxing authorities. Any items which may be resolved against you by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, I will be available upon request to represent you and will render additional invoices for time and expenses involved.

If your return is adjusted, you are responsible for any additional tax.

My fees for services will be based upon the amount of time required, plus computer charges and other expenses. I will bill you on that basis, and all invoices will be due and payable when billed.

If the foregoing **DOES NOT FAIRLY** set forth your understanding, please contact me as soon as possible.

Yours very truly,

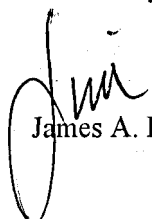

James A. Elliott

Exhibit B

Rule 2014 Verified Statement for Proposed Professional

UNITED STATES BANKRUPTCY COURT
DISTRICT OF OREGON

In re)
) Case No. _____
)
)
Debtor(s)) RULE 2014 VERIFIED STATEMENT
) FOR PROPOSED PROFESSIONAL

Note: To file an amended version of this statement per ¶19, file a fully completed amended Rule 2014 statement on LBF #1114 and clearly identify any changes from the previous filed version.

1. The applicant is not a creditor of the debtor except:
2. The applicant is not an equity security holder of the debtor.
3. The applicant is not a relative of the individual debtor.
4. The applicant is not a relative of a general partner of the debtor (whether the debtor is an individual, corporation, or partnership).
5. The applicant is not a partnership in which the debtor (as an individual, corporation, or partnership) is a general partner.
6. The applicant is not a general partner of the debtor (whether debtor is an individual, corporation, or partnership).
7. The applicant is not a corporation of which the debtor is a director, officer, or person in control.
8. The applicant is not and was not, within two years before the date of the filing of the petition, a director, officer, or employee of the debtor.
9. The applicant is not a person in control of the debtor.
10. The applicant is not a relative of a director, officer or person in control of the debtor.
11. The applicant is not the managing agent of the debtor.
12. The applicant is not and was not an investment banker for any outstanding security of the debtor; has not been, within three years before the date of the filing of the petition, an investment banker for a security of the debtor, or an attorney for such an investment banker in connection with the offer, sale, or issuance of a security of the debtor; and is not and was not, within two years before the date of the filing of the petition, a director, officer, or employee of such an investment banker.
13. The applicant has read 11 U.S.C. §101(14) and §327, and FRBP 2014(a); and the applicant's firm has no connections with the debtor(s), creditors, any party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed in the office of the United States Trustee, or any District of Oregon Bankruptcy Judge, except as follows:

14. The applicant has no interest materially adverse to the interest of the estate or of any class of creditors or equity security holders.
15. Describe details of all payments made to you by either the debtor or a third party for any services rendered on the debtor's behalf within a year prior to filing of this case:
16. The debtor has the following affiliates (as defined by 11 U.S.C. §101(2)). Please list and explain the relationship between the debtor and the affiliate:
17. The applicant is not an affiliate of the debtor.
18. Assuming any affiliate of the debtor is the debtor for purposes of statements 4-13, the statements continue to be true except (list all circumstances under which proposed counsel or counsel's law firm has represented any affiliate during the past 18 months; any position other than legal counsel which proposed counsel holds in either the affiliate, including corporate officer, director, or employee; and any amount owed by the affiliate to proposed counsel or its law firm at the time of filing, and amounts paid within 18 months before filing):
19. The applicant hereby acknowledges that he/she has a duty during the progress of the case to keep the court informed of any change in the statement of facts which appear in this verified statement. In the event that any such changes occur, the applicant immediately shall file with the court an amended verified statement on LBF #1114, with the caption reflecting that it is an amended Rule 2014 statement and any changes clearly identified.

THE FOLLOWING QUESTIONS NEED BE ANSWERED ONLY IF AFFILIATES HAVE BEEN LISTED IN STATEMENT 16.

20. List the name of any affiliate which has ever filed bankruptcy, the filing date, and court where filed:

21. List the names of any affiliates which have guaranteed debt of the debtor or whose debt the debtor has guaranteed. Also include the amount of the guarantee, the date of the guarantee, and whether any security interest was given to secure the guarantee. Only name those guarantees now outstanding or outstanding within the last 18 months:
22. List the names of any affiliates which have a debtor-creditor relationship with the debtor. Also include the amount and date of the loan, the amount of any repayments on the loan and the security, if any. Only name those loans now outstanding or paid off within the last 18 months:
23. List any security interest in any property granted by the debtor to secure any debts of any affiliate not covered in statements 20 and 21. List any security interest in any property granted by the affiliate to secure any debts of the debtor not covered in statements 21 and 22. Also include the collateral, the date and nature of the security interest, the name of the creditor to whom it was granted, and the current balance of the underlying debt:
24. List the name of any affiliate who is potentially a "responsible party" for unpaid taxes of the debtor under 26 U.S.C. §6672:

I verify that the above statements are true to the extent of my present knowledge and belief.

Applicant

Exhibit C
Proposed Order

UNITED STATES BANKRUPTCY COURT

DISTRICT OF OREGON

In re:

EARTH CLASS MAIL CORPORATION,

Debtor.

Case No. 15-30982-tmb11

ORDER AUTHORIZING EMPLOYMENT OF
JAMES A. ELLIOTT, CPA

THIS MATTER having come before the Court on the Application for Employment of Accountant for Debtor in Possession [Docket # ____] filed by Debtor in Possession Earth Class Mail Corporation (the “Debtor”). Based on the Application and attached documents, and on the entire record of this case, it is

ORDERED that:

1. Pursuant to sections 327(a) and 1107 of the Bankruptcy Code, the Debtor’s employment of James A. Elliott, CPA (“Elliott”) as its accountant in this Chapter 11 case is authorized.

2. Elliott's compensation and reimbursement of expenses shall be awarded in accordance with sections 330 and 331 of the Bankruptcy Code.
3. This Order shall be effective as of the petition date

#

Order Presented by:

MOTSCHENBACHER & BLATTNER, LLP

EXHIBIT

Nicholas J. Henderson, OSB #074027

Telephone: 503-417-0500

E-mail: nhenderson@portlaw.com

Of Attorneys for Debtor

Parties to Serve:

ECF Electronic Service:

- NICHOLAS J HENDERSON nhenderson@portlaw.com, csturgeon@portlaw.com;ts Sexton@portlaw.com;atrauman@portlaw.com
- ROBERT IZMIRIAN rizmirian@buchalter.com
- HOWARD M LEVINE hlevine@sussmanshank.com, janine@sussmanshank.com,ecf.howard.levine@sussmanshank.com
- DOUGLAS R PAHL dpahl@perkinscoie.com, etherrien@perkinscoie.com;docketpor@perkinscoie.com
- US Trustee, Portland USTPRegion18.PL.ECF@usdoj.gov

Service via First-Class Mail:

FRANK T. PEPLER

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Facsimile: (503) 417-0501

Proposed Attorneys for Debtor
Earth Class Mail Corporation

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON

In re

Earth Class Mail Corporation,

Debtor.

No. 15-30982-tmb11

CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

I, Nicholas J. Henderson, hereby certify that on April 3, 2015, I served a full and true copy of the foregoing **Application for Employment of Accountant for Debtor in Possession** by first class U.S. Mail, postage prepaid, on the secured creditors, the creditors holding the 20 largest unsecured claims, and the U.S. Trustee, as listed at the addresses listed on the attached Exhibit "A."

Dated: April 3, 2015

/s/ Nicholas J. Henderson

Nicholas J. Henderson

Comerica Bank
75 E Trimble Rd
MC 4770
San Jose, CA 95131

Ervin Leasing Company
3893 Research Park Drive
Ann Arbor, MI 48108

Evergone Investments
4115 110th Ave. E
Edgewood, WA 98372

Hewlett-Packard Financial Services
Company
420 Mountain Ave
Murray Hill, NJ 7974

Ignition Managing Directors Fund, LLC
350 106th Ave.
1st Floor
Bellevue, WA 98004

Ignition Ventures Management, LLC
Collateral Agent for Secured Noteholders
350 106th Ave NE, First Floor
Bellevue, WA 98004

Ignition Ventures Partners III, LLC
350 106th Ave.
1st Floor
Bellevue, WA 98004

Lauren Rachlin
37 Dorset Drive
Buffalo, NY 14223

Marlin Business Bank
2795 E Cottonwood Parkway
Salt Lake City, UT 84121

Robert McIntyre 2003 Trust
1061 Fulton St.
Palo Alto, CA 94301-3313

Washington Park Ventures, LLC
530 Hillside Dr. E
Seattle, WA 98112

U.S. Trustee - Portland Office
620 SW Main St #213
Portland, OR 97205

David C. Martin
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Atherton, CA 94027

FOC2, LLC
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Incline Village, CA 89450

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Bellevue, WA 98004

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Boise, ID 83703

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Scott and Alexandra Clifford
Living Trust U/R/T/A Nov 18, 1999
P.O. Box 305
Kentfield, CA 94914

Silverstone Capital LLC
1107 N Anderson
Tacoma, WA 98406

Thomas M. Mahoney and Valerie A. Holst
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Boise, ID 83716

Tim McGarr and
Susan Patricia Tym McGarr Living Trust
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